COMMONWEALTH OF MASSACHUSETTS DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

Rulemaking in compliance)		
)	D.T.E. 05-87
With St. 2005, sec. 140)	

COMMENT OF THE LOW-INCOME WEATHERIZATION AND FUEL ASSISTANCE PROGRAM NETWORK

This is the comment of the low-income weatherization and fuel assistance program network, as described in G.L. c. 25, sec. 19, and St. 2005, c. 140, sec. 17(a). We appreciate the Department issuing its emergency regulations expanding eligibility for the low-income discount and limit our comments to implementation of that portion of St. 2005, c. 140, that relates to information dissemination (sec. 13).

The network joins the National Consumer Law Center (NCLC) in gratitude to the Department for its actions to assist low-income consumers in this time of exceptionally high prices. Thanks to the Department's efforts over the last year, about 25,000 low-income customers have been identified for the assistance they need, arrearage management programs have been approved, and low-income customers have been given additional time to recover from this winter before facing possible termination of service.

Chapter 140, the Heating Energy Assistance And Tax Relief statute ("HEAT"), among many other things, provides (in sec. 13) that

The department shall promulgate rules and regulations requiring utility companies organized pursuant to this chapter to produce information, in the form of a mailing, or other approved method of distribution, to their consumers, to inform them of available rebates, discounts, credits, and other cost-saving mechanisms that can help them lower their monthly utility bills, and send out such information semi-annually, unless otherwise provided by this chapter.

As the Department is aware, for the past several years gas and electric utilities, together with the low-income weatherization and fuel assistance program network, have sponsored a campaign called "Energy Bucks"

specifically to inform eligible customers about discount, ¹ cash assistance, and efficiency programs² that can help consumers lower their utility bills. The campaign includes television, radio, and newspaper advertising as well as community outreach by visits to community agencies and events. The campaign is focused on the winter months, when energy bills are most visible to consumers, and is funded from low-income efficiency program budgets. We believe the campaign has had positive impacts, although current evaluation is not completed.

In our view, the Energy Bucks program more than meets utility obligations under HEAT at least with respect to low-income consumers for one of the semi-annual obligations. Since the campaign provides information about both efficiency and other low-income programs, we think it reasonable to divide the costs of the campaign between the low-income efficiency budget and general utility overhead. We therefore propose that the Department so find and, as a consequence, find that 50 percent of Energy Bucks expenditures are a reasonable expenditure from general utility overhead rather than (as now) wholly from low-income efficiency program funds.³

Respectfully submitted,

The low-income weatherization and fuel assistance program network, By its attorney,

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¹ Bill inserts that were sent shortly before the enactment of HEAT included now superceded information about eligibility for low-income discounts. These now-incorrect bill inserts should be corrected by an updating bill insert.

² The campaign could be expanded to include the arrears management programs mandated by HEAT.

³ We view such expenditures as an unforeseen exogenous cost, mandated by legislative action, that should be fully recoverable through rates. Utilities should fully recover their expenditures of compliance with HEAT.